



**U. S. Department of Justice**  
*United States Attorney*  
*Eastern District of Washington*

## **PRESS RELEASE**

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|------------------------|--------------------------------------------------------------|
| FOR IMMEDIATE RELEASE  | FOR INFORMATION CONTACT:                                     |
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### **FORMER TONASKET, WASHINGTON, MAN SENTENCED TO 15 MONTHS IN PRISON FOR FILING FALSE TAX REFUND CLAIM**

Spokane – James A. McDevitt, United States Attorney for the Eastern Judicial District of Washington, announced that Gustavo A. Bauer, age 35, was sentenced today for filing a false claim with the Internal Revenue Service. United States District Judge Edward F. Shea ordered Bauer to serve 15 months in prison followed by a 2-year period of court supervision and ordered Bauer to pay \$17,500 in restitution to the IRS.

In 1999, Bauer, then a resident of Tonasket, Washington, filed sixteen false income tax refunds using other people's names and social security numbers. The returns used false W-2 forms listing the City of Chelan as the employer and all claimed the Earned Income Credit (EIC). In total, the returns sought \$98,165 in refunds of which \$17,500 was paid before the scheme was uncovered. All the refunds used the same Okanogan, Washington post office box controlled by Bauer, as the return address.

In November 2001, Bauer was charged in a 16-count indictment for filing those 16 false income tax returns. Bauer absconded and remained a fugitive until June 2005, when he was arrested on counterfeiting charges near Fresno, California. On April 10, 2006, Bauer pleaded guilty to one count of filing a false income tax return.

“In the past ten years almost 11,400 people nationwide have been prosecuted and sentenced for various federal tax crimes,” said Paul Camacho, the Acting IRS Special Agent in Charge for Washington.

This case was investigated by the Internal Revenue Service, Criminal Investigation.